



Agenda Item Number: 2004-11-4J

BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS

Meeting Date: November 9, 2004

Department: Public Works Division

Staff Contact: Tim West, Deputy County Manager for Public Works
Mary Murnane, Water Resources Manager

TITLE: Second Supplemental Agreement to Intergovernmental Services Agreement for the PIPE Program

ACTION: Motion to approve:

1. The Second Supplemental Agreement for Low Income Sewer and Water Connections.
2. Financial Resolution **FR -2004** increasing the budget by \$2,500,000 for the PIPE program.

SUMMARY:

The Partners in Improvement and Protection of the Environment (PIPE) program provides low and moderate-income households with financial assistance to connect to the Albuquerque Bernalillo County Water Utility Authority (Authority) sanitary sewer and water system. Funding for the PIPE program is through County Environmental Services Gross Receipts Tax and Authority funding.

The Intergovernmental Services Agreement that provides for low-income residents to be connected to adjacent public sanitary sewer systems between the County and the Authority dates back to 1997. The First Supplemental Agreement approved in 1999 provided for \$1,000,000 in additional funding for a total of \$2,000,000. In February 2004, the Board approved a resolution committing County funding for the PIPE program and a request to the Authority to do the same. The Authority provided \$2,000,000 in the FY 05 budget and is providing an additional \$500,000 from a prior year "clean-up" funding action. As a result, the Authority is providing \$2,500,000 in new funding for a total of \$4,500,000.

The Second Supplemental Agreement also allows for the inclusion of water system connections in the Agreement, and authorizes reimbursement from the Authority for two-thirds the cost of connection to the Authority Water System. In addition to funding for the PIPE program, the Original Agreement and the attached Second Amendment call for extensive coordination between County staff and Authority staff. This coordination will provide for accurate tracking of available connections, new customers and new utility service.

ATTACHMENTS:

1. Original Agreement
2. First Supplemental Agreement to the IGSA for Low Income Connections
3. Markups Proposed for Second Supplemental Agreement
4. Second Supplemental Agreement to the IGSA for Low Income Connections
5. Financial Resolution **FR -2004**

FISCAL IMPACT

Low Income Sewer and Water Connections BCC63-588800-VA98

\$2,500,000

STAFF ANALYSIS SUMMARY

COUNTY MANAGER

Since the PIPE program began in 93/94, through June 2004, 1846 households have been connected to sewer through the program. Initially funding came from State grants and the ESGRT. In September 1997, the County and the City executed the Intergovernmental Services Agreement (IGSA) to identify all premises that are adjacent to public sewers. The County agreed to identify low-income households and to provide assistance in connecting them to sewer. The IGSA also provided \$1 million to fund financial assistance to low-income households. The First Supplemental Agreement executed in September 1999 provided an additional \$1 million.

Approval of the Second Supplemental Agreement will provide an additional \$2.5 million in funding, allow for inclusion of water system connections and authorize reimbursement from the Water Authority of up to \$4.5 million for 2/3 of the County's direct costs to connect low-income properties. I recommend Board approval. TL 11/2/04

DIVISION DIRECTOR

The supplemental agreement and financial resolution increases the PIPE budget by \$2.5 million from the ABCWUA, enabling the connections of water services form eligible applicants and reimbursement from the ABCWUA to the County for up to 2/3 rd's the funds expended to provide a more timely and accurate accounting of PIPE funds. I recommend approval. TW 10/25/04

LEGAL

Supplemental Agreement contains appropriate references to the Water Authority. Approved as to form only. Deborah S. Seligman, Legal 10/22/04

FINANCE

Budget

Approval of the financial resolution will accept the funding from the Bernalillo County Water Authority and increase the budget in the amount of \$2,500,000.00. The funds will be budgeted in the BC63 Water Waste Water fund and held in a separate reserve account until a Memorandum of Understanding is fully executed. Priscilla L. Gutierrez, Budget Analyst Sr. 10/21/04

Purchasing

No comment required. Bob Henderson, Senior Buyer 10/15/04

Contracts

CCN # 2004-0549 issued. Bob Henderson, Senior Buyer 10/15/05

Risk Management

As between the parties, each party acknowledges and represents that it will be responsible for any claims by or damages to third parties to the extent they result from its negligent acts or omissions in the performance of the contract. The liability of the parties shall be subject in all cases to the immunities and limitations of the New Mexico Tort Claims Act. David A. Baca, Risk Management 10/19/04